



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN. NO 2601 (1965)

July 31, 1992

SUBJECT: Assignment of Proceeds from a Partial Sale

TO: State Directors, District Directors, and
County Supervisors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide clarification when approving a partial release of real estate security. The intended outcome is to ensure that the Government's interest in the real estate security is not compromised in this action.

COMPARISON WITH PREVIOUS AN:

This AN replaces AN No. 2243(1965) dated March 12, 1991, which expired on March 31, 1992.

IMPLEMENTATION RESPONSIBILITIES:

Section 1965.13(e)(3)(iii)(A) of FmHA Instruction 1965-A indicates that when a portion of real estate security is sold, the proceeds must be assigned to FmHA. However, it is not indicated how this assignment is to be made. In order to protect the Government's interest, the assignment is to be made on a form approved by the Regional Attorney, Office of the General Counsel.

ANY REVISIONS OR MODIFICATIONS TO THIS AN THAT YOU WISH TO PUBLISH AS A STATE DIRECTIVE MUST BE SUBMITTED AND APPROVED BY THE ASSISTANT ADMINISTRATOR OF FARMER PROGRAMS BEFORE IT IS RELEASED FOR IMPLEMENTATION IN YOUR STATE. THE ONLY EXCEPTION TO THIS REQUIREMENT IS WHEN THE REVISION OR MODIFICATION IS NECESSARY FOR COMPLIANCE WITH STATE LAW.

LA VERNE AUSMAN
Administrator

EXPIRATION DATE: June 30, 1993

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1965-A



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250